



USAID
FROM THE AMERICAN PEOPLE

BOSNIA-HERZEGOVINA

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FACT SHEET

Private Enterprise Development

The U.S. Government, through the U.S. Agency for International Development (USAID), strives to promote economic growth and job creation through support for the development of the private sector. Programs focus on expanding access to credit, enhancing the competitiveness of selected industrial sectors, strengthening linkages to enable producers and processors to locate and meet domestic and export market demand, and increasing the business skills of managers.

USAID's Private Enterprise Development projects support the U.S. Government's priorities to: 1) promote development of small and medium-size enterprises; 2) promote regional trade and investment; 3) increase mutual understanding between citizens of the U.S. and BiH through linkages with U.S. academic institutions; and 4) promote the development of small and medium enterprises through the removal of legal, regulatory and administrative barriers. Overall, the U.S. Government has provided over \$1 billion to support the development of Bosnia-Herzegovina.

Cluster Competitiveness Activity (CCA)

(July 2004 – July 2008)

The overall goal of CCA is to advance economic growth and job creation in BiH by supporting improved competitiveness in the wood processing and tourism industries. CCA provides technical assistance to promote the development of industry clusters, i.e. the private sector firms, financial providers, government and non-government agencies that support the operation of an industry. The project also works to inform cluster companies about global market trends and improve product quality and operational productivity. CCA strengthens connections among cluster companies and their links to export markets, attracting investment to cluster companies and improving their business environment. CCA plays a leading role in coordinating the international community's activities in forestry reform aimed at sustainable economic governance of BiH's forests. The project manages the \$1.5 million "Competitiveness Implementation Fund" and promotes the \$47 million DCA Loan Guarantee facility that supports business finance to the wood processing, tourism and agri-business sectors.

Budget: \$16 million

Implementer: Emerging Markets Group



CCA supported BiH's successful bid to host the 2009 Rafting World Championship

Graduate Business Education Project (GBEP)

(February 2004 – June 2008)

Budget: \$10 million

Implementer: University of Delaware

USAID partnered with the University of Delaware and the Sarajevo Faculty of Economics to establish the

Sarajevo Graduate School of Business (SGSB) to offer a western-style Master of Business Administration (MBA) degree in BiH. The SGSB MBA provides BiH with the managers it needs to reform its economy and become competitive in regional and global markets. The MBA program is administered jointly by the Sarajevo Faculty of Economics and the University of Delaware and students receive degrees from both institutions. It is a 20-month program, taught in English. Class schedules allow working professionals the opportunity to participate in the program. SGSB also offers executive courses in local languages. In June 2007, the second SGSB MBA cohort graduated. The SGSB mission is to become a center of excellence in advanced business education for the development of responsible leaders in a dynamic global business environment.

Linking Agricultural Markets and Producers and Processors (LAMP)
(July 2003 – April 2009)

Budget: \$25.6 million
Implementer: ARD Inc.

USAID's LAMP project is geared toward increasing economic growth through expanded production and sales of value-added agricultural products in order to make domestic food products more competitive, expand food exports, increase jobs and expand the breadth and depth of incomes for BiH farmers, agribusinesses and related market participants. LAMP is strengthening market linkages among producers, processors and wholesale and retail enterprises in the agriculture sector. Illustrative activities include development of strategic plans for producer and processor organizations, provision of technical assistance in all areas, assistance in marketing Bosnian products in country and abroad and in training in food safety and quality standards. Both producers and processors are being supplied with better access to credit as supplies of both micro-credit and commercial credit have increased in partnership with selected banks and micro-credit organizations.



LAMP has facilitated over 220 new linkages worth \$7 million

Excellence in Innovation (EI)
(December 2007 – December 2010)
(AED)

Budget: \$3.4 million
Implementers: Academy for Educational Development

Education Development Centre (EDC)

The goal of the Excellence in Innovation (EI) Program is to strengthen both BiH Information and Communications Technology (ICT) and non-ICT companies' competitive positions through their ability to offer new, high value-added products and services that are in demand in the domestic and global markets. Specifically, EI aims for increased use of value-added ICT among BiH SMEs in targeted sectors: wood processing, agriculture production and processing, tourism and other light manufacturing sectors as well their supporting sectors. EI is a \$5 million jointly funded project by USAID and the Norwegian Government.

Rural Employment Generation Activity (REGA)
(September 2006 – September 2012)

Budget: \$1 million
Implementer: UPI Bank

USAID has a cooperative agreement with UPI bank to finance the purchase of berry and cherry seedlings for small farmers in Brcko and Tuzla. The purchases are done in cooperation with one of the largest microfinance organizations in BiH, Partner from Tuzla. USAID's LAMP Project will assist local farmers to cultivate the seedlings and expand the market thus increasing soft fruit production and creating jobs in rural areas. The goals of this alliance are consistent with U.S. Government objectives to accelerate private sector growth.

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